

substitute
- A Resolution by Councilmembers
Michael Bond, Cleta Winslow,
Sherry Dorsey, C.T. Martin,
and Jim Maddox as Substituted by
Finance/Executive Committee

01-R-0031

AUTHORIZING RESOLUTION

AN AUTHORIZING RESOLUTION TO PROVIDE FOR THE EXECUTION AND DELIVERY BY THE CITY OF ATLANTA OF AN ESCROW DEPOSIT AGREEMENT, FOR THE PURPOSE OF DEFEASING A PORTION OF ITS GENERAL OBLIGATION BONDS; AND FOR OTHER RELATED PURPOSES.

WHEREAS, the City of Atlanta (the "City") issued its Various Purpose General Obligation Bonds, Series 1991, Various Purpose General Obligation Bonds, Series 1992, General Obligation School Improvement Bonds, Series 1993, Various Purpose General Obligation and General Obligation Refunding Bonds, Series 1993, General Obligation Public Improvement Bonds, Series 1994A, Various Purpose General Obligation Bonds, Series 1994B, Various Purpose General Obligation Bonds, Series 1995, Various Purpose General Obligation Bonds, Series 1996A, Public Improvement General Obligation Bonds, Series 1996B, Various Purpose General Obligation Bonds, Series 1997A, General Obligation Public Improvement Bonds, Series 1997B, General Obligation Refunding Bonds, Series 1998, Various Purpose General Obligation Bonds, Series 1998, Various Purpose General Obligation Bonds, Series 1999, and Various Purpose General Obligation Bonds, Series 2000 (collectively the "Bonds") for the benefit of itself and the Atlanta Independent School System (the "System"); and

WHEREAS, the City desires to apply moneys held in the sinking fund for the Bonds or to be deposited therein by the System (1) to defease \$23,385,000 in aggregate principal amount of the Bonds issued for the City's benefit, maturing on December 1, 2001 through 2005, and (2) to defease \$128,655,000 in aggregate principal amount of the Bonds issued for the System's benefit, maturing on December 1, 2001 through 2018 (collectively the "Defeased Bonds"); and

WHEREAS, such moneys will be deposited in an irrevocable trust fund with The Bank of New York, as escrow agent (the "Escrow Agent"), in an amount sufficient to establish an initial cash balance and to pay the cost of acquiring certain direct obligations of the United States of America, which cash and direct obligations will be held, supervised, maintained, and administered by the Escrow Agent under an Escrow Deposit Agreement (the "Escrow Agreement") to be entered into by and among the Escrow Agent, the City, and the System, and such cash and direct obligations and the interest derived therefrom will be used and applied toward the payment of the principal of and interest and premium on the Defeased Bonds, as the same become due and payable, either at maturity or upon redemption prior to maturity; and

WHEREAS, after careful study and investigation, the City desires to enter into the Escrow Agreement to effectuate the transactions described above;

NOW, THEREFORE, The City Council of the City of Atlanta, Georgia, hereby resolves as follows:

1. The form, terms, and conditions and the execution, delivery, and performance of the Escrow Agreement, which has been filed with the City, are hereby approved and authorized. The Escrow Agreement shall be in substantially the form submitted to the City with such changes, corrections, deletions, insertions, variations, additions, or omissions as may be approved by the Mayor of the City, whose approval thereof shall be conclusively evidenced by the execution of the Escrow Agreement.

2. The Mayor of the City is hereby authorized and directed to execute on behalf of the City the Escrow Agreement, and the Municipal Clerk of the City is hereby authorized and directed to affix thereto and attest the seal of the City, upon proper execution and delivery by the other parties thereto, provided, that in no event shall any such attestation or affixation of the seal of the City be required as a prerequisite to the effectiveness thereof, and the Mayor and Municipal Clerk of the City are authorized and directed to deliver the Escrow Agreement on behalf of the City to the other parties thereto, and to execute and deliver all such other contracts, instruments, documents, affidavits, or certificates and to do and perform all such things and acts as each shall deem necessary or appropriate in furtherance of the transactions authorized by this Resolution or contemplated by the Escrow Agreement.

3. This Resolution and the Escrow Agreement, as approved by this Resolution, which is hereby incorporated in this Resolution by this reference thereto, shall be placed on file at the office of the City and made available for public inspection by any interested party immediately following the passage and approval of this Resolution.

PASSED AND ADOPTED this 5th day of February 2001.

COMMITTEE AMENDMENT FORM

Committee F.W. Elee Page Number(s) _____

Ordinance I.D.# _____ Section(s) _____

Resolution I.D.# 00-R- Paragraph _____

Date 1-31-01

Amendment: add the word "Section"
before # 1 2 + 3 on pg 1+2.

delete the word "ordinance"
wherever it appears in Section 3.